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6 B.A.R. CONTRACTORS, INC. D/B/A
B.A.R. BUILDERS

7
8 IN THE UNITED STATES BANKRUPTCY COURT
9 FOR THE NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

11 In Re:

12 GLOMETRO, INC, a California
13 Corporation,

14 Debtor.

Case No. 10-30380-DM11

Chapter 11

**CREDITOR B.A.R. BUILDERS RESPONSE
TO DEBTOR IN POSSESSION
GLOMETRO INC.'S MOTION TO SELL
REAL ESTATE FREE AND CLEAR OF
LIENS**

Date: June 25, 2010

Time: 10:00 a.m.

Location: Room 22

Judge: Hon. Dennis Montali

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20 Secured creditor B.A.R. Contractors, Inc. d/b/a B.A.R. Builders ("B.A.R.
21 Builders") responds to debtor-in-possession Glometro, Inc.'s ("Glometro") proposal to
22 sell the real property located at 722-728 Montgomery Street, San Francisco, CA 94111
23 (the "Belli Building") free and clear of liens as follows:

24 **I. RESPONSE**

25 1. B.A.R. Builders was the general contractor retained by Glometro for both
26 the demolition and renovation of the Belli Building. Demolition work commenced on or
27 about December 10, 2004, and renovation work commenced on or about January 13,
28 2006.

1 2. B.A.R. Builders was not paid for \$732,780.17 of work that was authorized
2 and approved by Glometro. Due to Glometro's failure to pay, and/or the bank's failure to
3 release construction funds despite Glometro's approval of the payment applications, a
4 mechanic's lien was timely recorded, an action to foreclose said lien was timely brought
5 in San Francisco Superior Court, and that action has been removed to this bankruptcy
6 court as an adversary proceeding captioned *B.A.R. Contractors, Inc. d/b/a B.A.R. Builder*
7 *v. Glometro, Inc.*, Adversary Proceeding 10-3070.

8 3. The above-entitled adversary proceeding seeks to determine priority of
9 liens, as B.A.R. Builders asserts that the commencement of work on the Belli Building
10 pre-dates the recordation of East-West Bank's construction loan on January 27, 2006, and
11 that B.A.R. Builders' lien is first in priority before any other party, lender, or creditor.

12 4. In addition to filing its adversary complaint, B.A.R. Builders has filed a
13 claim in Glometro's underlying Chapter 11 case asserting that it is a secured creditor
14 owed \$773,453.

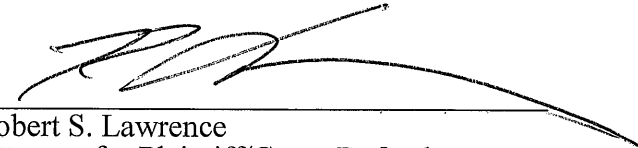
15 5. While B.A.R. Builders does not oppose the contemplated sale of the Belli
16 Building for \$7.8 million, B.A.R. Builders does not agree to the distribution of proceeds
17 proposed by Glometro, but believes any proceeds from said sale should be held in the
18 registry of the court or in escrow pending resolution of the issue of priority of liens,
19 which this court has authority to rule on.

20 6. To the extent all the parties are willing to negotiate a compromise of their
21 respective positions, B.A.R. Builders is willing to mediate or engage in settlement
22 discussions under the court's direction.

23
24 DATED: June 18, 2010

COLLETTE ERICKSON FARMER & O'NEILL LLP

25
26 BY:


Robert S. Lawrence
Attorney for Plaintiff/Cross-Defendant
B.A.R. CONTRACTORS, INC., D/B/A
B.A.R. BUILDER

PROOF OF SERVICE

Case Name: In Re Glometro, Inc.
Court Case No.: U.S. Bankruptcy, Northern Dist. of California Case No. 10-30380-DM11

I am employed in the City and County of San Francisco, California. I am over the age of eighteen (18) years and am not a party to the within cause; my business address is 235 Pine Street, Suite 1300, San Francisco, California 94104. On the date hereon, I served the foregoing document, described as:

**CREDITOR B.A.R. BUILDERS RESPONSE TO DEBTOR IN POSSESSION
GLOMETRO, INC.'S MOTION TO SELL REAL ESTATE FREE AND
CLEAR OF LIENS**

Robert T. Kawamoto, Esq.
234 Van Ness Avenue
San Francisco, CA 94102

Minnie Loo, Esq.
Office of the U.S. Trustee
235 Pine Street, 7th Floor
San Francisco, CA 94104

Henry Lerner
William Huckins
Allen Matkins Leck Gamble Mallory & Natsis
LLP
Three Embarcadero Center, 12th Floor
San Francisco, CA 94111

 X **(By Mail)** By causing a true copy of said document(s), enclosed in a sealed envelope addressed as above and with postage thereon fully prepaid, to be placed in United States mail at San Francisco, California.

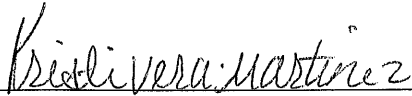
 (By E-Mail) By causing an electronic copy of said document(s), to be transmitted by e-mail to the addressed known by or represented to me to be the receiving e-mail of the parties/persons/firms listed above.

 (By Federal Express) By causing a true copy of said document(s), enclosed in appropriate packaging and addressed as above and with delivery fee thereon fully prepaid, to be delivered to a Federal Express station, where said package was routinely accepted for next-day delivery.

 (By Personal Service) By causing a true copy of said document(s), enclosed in a sealed envelope and addressed as above, to be hand-delivered.

 (By Fax) By causing a true copy of said document(s) to be transmitted by facsimile copying machine to the telephone numbers known by or represented to me to be the receiving telephone number for facsimile copy transmission of the parties/persons/firms listed above. The transmission was reported as complete and without error.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **June 18, 2010**, at San Francisco, California.


Kristi Vera-Martinez